

REMARKS

A. Status of the Application

- Claims **1, 2, 4-7, 18-21, 23-26, 28, 29, 31** and **33-37** are pending in the application, of which claims **1** and **20** are independent claims.
- Claims **1, 2, 4-7, 19, 24** and **31** have been amended.
- Claims **17** and **27** are cancelled. Claims **3, 8-16, 22, 30** and **32** were previously cancelled.
- New claims **34-37** have been added.

All amendments and new claims are supported by the application and claims as originally filed. No new matter has been added.

Accordingly, entry of the amendments is respectfully requested. Applicant has amended the claims to recite particular embodiments that Applicant, in his business judgment, has determined to be commercially desirable at this time. The claim amendments have not been submitted for any reasons relating to patentability. No new matter has been added.

B. Claim Rejections Under 35 U.S.C. § 112, ¶ 2

On page 2, the Examiner rejected claims 1, 2, 4-7, 17-21, 23-29 31 and 33 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. The rejection is moot in light of the claim amendments.

C. Claim Rejection Under 35 U.S.C. § 103

1. *The Examiner Fails to Teach all of the Limitations of Independent Claims 1 and 20.*

On page 3, the Examiner rejected claims 1, 2, 4-7, 17-21, 23-29, 31 and 33 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,601, 044 (“Wallman”) in view of U.S. Patent No. 7,249,075 (“Altomare”), U.S. Publication No. 20010034695 (“Wilkinson”), and U.S. Patent No. 5,946,667 (“Tull”). The rejection is moot in light of the claim amendments.

For example, nowhere in the cited portion of Wallman, Altomare, Wilkinson or Tull is there a teaching or suggestion of the following limitation of independent claims **1** and **20**:

selecting, via the processor, an intellectual property right that is included in the investment trust, in which the intellectual property asset is selected on behalf of the user and based on the plurality of risk/return preferences.

Neither does Wallman, Altomare, Wilkinson or Tull is there a teaching or suggestion of the following limitation of independent claims **1** and **20**:

automatically buying or selling, via the processor, at least one instrument on behalf of the user in order to maintain the plurality of risk/return preferences.

For at least these reasons, the Examiner fails to make a *prima facie* showing of obviousness for claims **1** and **20**.

2. *There is No Substantial Evidence of Motivation to Modify and No Reasonable Expectation of Success*

In rejecting independent claims **1** and **20**, the Examiner combines four distinct references: Wallman, Altomare, Wilkinson and Tull.

However, the alleged motivation proffered by the Examiner for modifying Wallman has absolutely no basis in the references themselves or in any other evidence of record. All factual findings of the Patent and Trademark Office must be supported by substantial evidence. Since motivation to modify is a factual finding, it must be supported by some evidence. The Examiner fails to provide *any* evidence to support the proffered motivation to modify Wallman.

For example, in combining Wallman with Altomare and Wilkinson, the Examiner merely offers the following explanation:

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Wallman to include these features as taught by Altomare and Wilkinson. *One would have been motivated to do so in order to enhance the flexibility of the process/system by diversifying the user's portfolio to include various types of instruments* (emphasis added).

The Examiner fails to cite any references or any other evidence for why one of ordinary skill in the art would wish to “enhance the flexibility of the process/system” of Wallman to include “various types of instruments.”

Nor is there any evidence for why one of ordinary skill in the art would have, at the time of the invention, known or desired to modify Wallman in order to include “*an intellectual property right.*” *Id.*

Thus, the Examiner's failure to provide any motivation for modifying Korhammer results in a failure to establish a *prima facie* case of obviousness for claims **1** and **20**.

Since there has been no evidence offered, and no reasoning based on evidence, for a motivation to combine or modify the references in the manner the Examiner has proposed, Applicants cannot address the obviousness rejection, and moreover Applicants need not address the obviousness rejection since a *prima facie* showing of obviousness has not been made.

D. General Comments on Dependent Claims

Since each of the dependent claims depends from a base claim that is believed to be in condition for allowance, Applicant believes that it is unnecessary at this time to argue the allowability of each of the dependent claims individually. However, Applicant does not necessarily concur with the interpretation of the dependent claims as set forth in the Office Action, nor does Applicant concur that the basis for the rejection of any of the dependent claims is proper. Therefore, Applicant reserves the right to specifically address the patentability of the dependent claims in the future, if deemed necessary.

E. Conclusion

In general, the absence of a reply to a specific rejection, issue or comment does not signify agreement with or concession of that rejection, issue or comment. In addition,

because the arguments made above may not be exhaustive, there may be reasons for patentability of any or all pending claims (or other claims) that have not been expressed. Finally, nothing in this paper should be construed as an intent to concede any issue with regard to any claim, except as specifically stated in this paper, and the amendment of any claim does not necessarily signify concession of unpatentability of the claim prior to its amendment.

In view of the foregoing amendments and remarks, Applicant respectfully submits that the application is in condition for allowance, and such action is respectfully requested at the Examiner's earliest convenience.

Applicant's undersigned attorney can be reached at the address shown below. All telephone calls should be directed to the undersigned at (212) 294-8055.

Respectfully submitted,

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